

DATE: April 26, 2007

TO: CVRC Board Directors

VIA: Jim Thomson, Interim City Manager *JT*
Ann Hix, Acting Director of Community Development *@ for AH*

FROM: Eric Crockett, Redevelopment Manager *ec*

SUBJECT: Consideration of Amendments to Exclusive Negotiating Agreements for Four Sites within the Town Centre I Redevelopment Project Area

Project Area:	Town Centre I
Agreement:	Exclusive Negotiating Agreements
Developers:	Public, Douglas Wilson Companies, Avion Development & Intergulf-Mar Group
Project Sites:	Multiple
Project Types:	Mixed-use
Project Descriptions:	To Be Determined

BACKGROUND:

On July 26, 2005, the Agency adopted five Exclusive Negotiating Agreements ("ENAs"), focusing on key catalyst projects along the Third Avenue corridor within the Town Centre I redevelopment project area.

On May 11, 2006, the CVRC amended two of the original ENAs, extending the duration of those agreements, in accordance with the revised schedule for adopting the UCSP. Additionally, on May 11, three new ENAs were adopted (one of which replaced the original ENA with Douglas Wilson due to a change in development sites).

On August 10, 2006, the CVRC amended the remaining two original ENAs, extending the duration of those agreements, as well.

On March 5, 2007, with the UCSP scheduled for hearing but not yet adopted, 90-day written, administrative extensions ("Extended Negotiation Periods") were proposed and approved, in accordance with Section 2B, for six of the seven ENAs. (The seventh ENA, with Intergulf/Lennar, is not due to expire until November 2007.) The 90-day extensions activated the Extended Negotiation Period for the six ENAs.

Currently, four of the seven agreements are due to expire on June 5, 2007. Provided the UCSP is adopted on April 26, 2007, redevelopment staff wishes to pursue amendments to these four ENAs, extending their duration once again.

The ENAs proposed for amendment are as follows:

Developer	Site	Action
Avion	Third Avenue and E Street Southeast	Second Amendment
Intergulf/Mar Group	Third Avenue and G Street Northwest	Second Amendment
Douglas Wilson	Davidson and Church Avenue West	First Amendment
Public	Madrona and Church Avenue Northwest	First Amendment

The following staff report provides information about the proposed amendments to the Exclusive Negotiating Agreements.

RECOMMENDATION:

Staff recommends that the Chula Vista Redevelopment Corporation adopt resolutions approving and authorizing the Chair to:

- a) Execute Amendments to the Exclusive Negotiating Agreements with four developers for properties located within the Town Centre I redevelopment project area.

DISCUSSION:

Amendments to Exclusive Negotiating Agreements

It is the strategic objective of the Redevelopment Agency, per the five-year implementation plan, that all new development within the City's redevelopment project areas be guided by adopted City policy documents. Policy documents, like the Urban Core Specific Plan and Bayfront Master Plan, provide the framework for successful redevelopment to occur. Each of the ENA Developers continue to demonstrate their commitment to partner with the CVRC and to develop projects that meet the objectives and fulfill the vision set by the public and by City leaders.

To that end, the ENA developers have moved forward in good faith with the initial predevelopment process on their respective sites. They each received a Preliminary Title Report, in accordance with the ENA Timeline and have begun the due diligence process required for property acquisition. Additionally, two of the developers have submitted preliminary sketches and presented draft plans to the Redevelopment Advisory Committee ("RAC") for public review and comment.

Staff recommends amending the existing timeframe in the agreements. These amendments are summarized as follows:

- Changes to the negotiation period of the Agreements in Section 2A

- Changes to the flexibility of the Schedule in Section 3A
- Changes to the Timeline for each ENA in Exhibit B

Negotiation Period

Section 2A, entitled, "Negotiation Period," of each ENA will be changed to reflect a new Initial Negotiation Period of 300 days, commencing on the effective date of the amendment (June 5, 2007). This will extend the duration of each agreement to allow for completion of the entitlement process for the respective project.

Schedule

Section 3A will be changed to give the Executive Director flexibility to adjust the schedule within the timeline as needed, without coming back to the CVRC for approval. Minor adjustments to the milestones in the timeline may be made administratively, saving time and money.

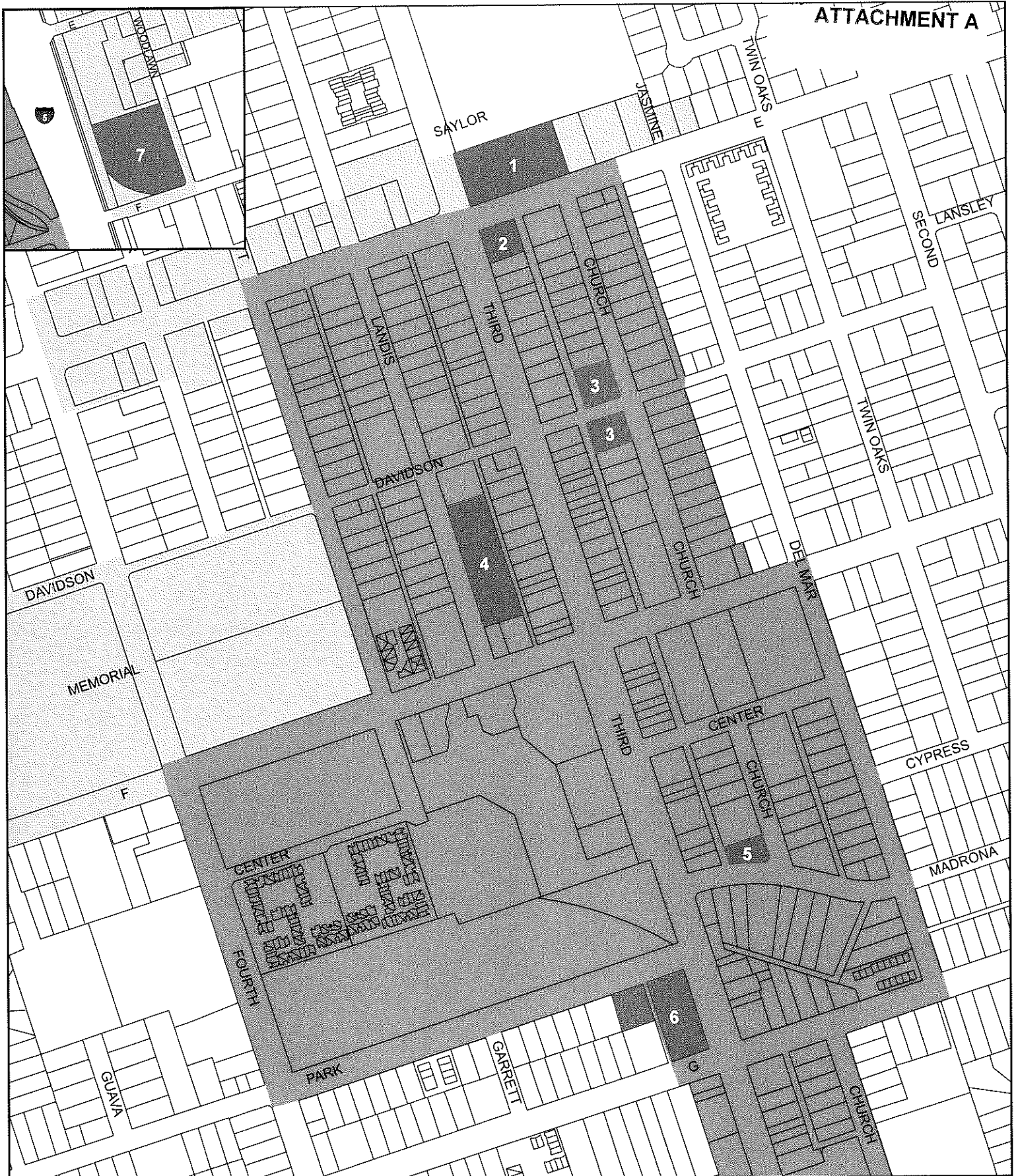
Timeline

In addition to the overall timeframe set by the Initial and Extended (if necessary) Negotiation Periods, the timeline sets milestones to mark each project's progress. The timelines have been modified to reflect the updated planning and review process. For example, the timeline now assumes the adoption of the UCSP, so the milestones are no longer tied to that event. Also, the RAC review is now the formal public review process, so the timelines have been updated to reflect that change.

ATTACHMENTS:

- A. Map of ENA Sites
- B. May 11, 2006, Staff Report

PREPARED BY: Janice Kluth, AICP, Senior Community Development Specialist



0 0.025 0.05 0.1 0.15 0.2 Miles



 Merged Bayfront / Town Centre I Project Area
 Merged Chula Vista Project Area

1. 3rd & E Northeast Corner / CityMark Development
2. 3rd & E Southeast Corner / Avion Development
3. Church & Davidson West / Douglas Wilson
4. Landis South / CityMark Development
5. Church & Madrona Northwest / Public
6. 3rd & G Northwest / Intergulf-Mar (Park) Group
7. E Street Transit Village / Lennar-Intergulf



**CVRC Board
Staff Report – Page 1
Item No. 2**

DATE: May 11, 2006

TO: CVRC Board Directors

FROM: Dana M. Smith, Secretary

VIA: David D. Rowlands, Jr., Chief Executive Officer

SUBJECT: Consideration of Exclusive Negotiating Agreements for Three Sites and Amendments to Exclusive Negotiating Agreements for Four Sites within the Merged and Town Centre I Redevelopment Areas

Project Areas:	Merged and Town Centre I
Agreement:	Exclusive Negotiating Agreements (ENAs)
Developers:	New: Public, Intergulf/Lennar & Douglas Wilson Companies Amended: CityMark, Avion Development & Intergulf/Mar Group
Project Sites:	Multiple
Project Types:	Mixed-use Residential
Project Descriptions:	To Be Determined

BACKGROUND:

On July 26, 2005, the Agency adopted five Exclusive Negotiating Agreements (ENAs) focusing on key catalyst projects along the Third Avenue corridor. These projects are within the Urban Core Specific Plan ("UCSP") area. The UCSP is intended to implement the policy direction of the recently adopted General Plan Update ("GPU") and is a key policy document that will, if adopted, set the development parameters and guidelines in this area of the City. The draft document is currently available for public review. It is the goal of redevelopment staff to ensure that all new development is guided by the City's adopted policy documents. As the foundational planning documents, the adoption of the GPU and UCSP are critical to the timely development of new projects. Therefore, staff is proposing that an amendment be approved for four of the original five ENAs to align the ENA Timeline (Attachment B) with the proposed date of adoption for the UCSP.

In addition, the Community Development Department has been looking at new opportunities for development within the redevelopment project areas and has developed relationships with several

developers. Three new ENAs are being presented. Each is structured to operate in conjunction with the UCSP and is proposed for the following developers and their respective sites:

- | | | |
|----|--------------------------|------------------------------|
| 1. | Lennar/Intergulf | E Street Transit Village |
| 2. | Public | Church and Madrona Northwest |
| 3. | Douglas Wilson Companies | Davidson and Church West |

As previously discussed, staff is also proposing that four ENAs be amended to extend the negotiation period and update the ENA Timeline. Amendments are proposed for the following three developers for four sites:

- | | | |
|----|-------------------------|-----------------------------------|
| 1. | CityMark Development | Landis Avenue South |
| 2. | CityMark Development | Third Avenue & E Street Northeast |
| 3. | Avion Development | Third Avenue & E Street Southeast |
| 4. | Intergulf and Mar Group | Third Avenue & G Northwest |

The following staff report provides information about the established developer qualification process, a description of the Exclusive Negotiating Agreements, and introductions to the proposed development teams.

RECOMMENDATION:

Staff recommends that the Chula Vista Redevelopment Corporation adopt resolutions approving and authorizing the Chair to:

- a) Execute Exclusive Negotiating Agreements with three qualified developers for three properties located within the Town Centre I and Merged redevelopment project areas of the City of Chula Vista; and
- b) Execute a First Amendment to the Exclusive Negotiating Agreement for three pre-qualified developers for four properties located within the Town Centre I and Merged redevelopment project areas.

DISCUSSION:

Exclusive Negotiating Agreements

Purpose

The established ENA process does not seek development projects; rather it seeks to match highly reputable developers with the proposed sites. This policy was established because staff believes that by reviewing and selecting developers who are committed to working cooperatively with the

Agency and the community, the end result will be a development that better meets the goals of the City, Agency and community. It also allows the CVRC the ability to select a qualified company with a proven track record versus a particular project.

An Exclusive Negotiating Agreement (“ENAs”) is a roadmap for the evolution of a redevelopment project. ENAs establish a predictable and agreed upon process, timeline, and parameters for developers and the staff to cooperatively design and process redevelopment proposals that meet the goals and objectives of both parties. For the CVRC, the ENA process strategically evolves a proposal from initial concept to a defined project that is consistent with relevant and applicable plans and policies (e.g., UCSP, redevelopment plans), aligned with community character, and designed to meet the City’s strategic and economic goals for public amenities and community revitalization.

The purposes of the ENA are summed up into following four main objectives:

- ❑ Formalize a cooperative relationship with the Developer;
- ❑ Define the roles and responsibilities of the Developer and CVRC/Agency;
- ❑ Determine the process for development, including a timeline for:
 - Predevelopment activities such as design, financials, market study, etc.
 - Public input and participation; and
- ❑ Provide the timeframe and actions necessary to prepare for consideration by the decision makers a Disposition and Development Agreement (DDA) or Owner Participation Agreement (OPA) if required.

In addition to the objectives listed above, ENAs provide a transparent and cooperative process for the public, CVRC, Developer, and staff to work within. The ENA is one of the tools available to a Chula Vista Redevelopment Corporation which, when structured properly, provides clarity of purpose and process that is accessible to all parties, and the public. The ENA process therefore also provides an early, logical, and effective vehicle for public input and participation.

Public Input & Participation

In conjunction with the Agency/Council’s May 24, 2005 approval of the CVRC, the Agency/Council adopted as formal policy statements three guiding principles for public participation:

- ❑ Public input and participation should occur *early and often*.
- ❑ Public input and participation should be *open, inclusive, and accessible*.
- ❑ Public input and participation should be *educational and informative*.

In order to facilitate the early integration of public dialogue consistent with the Council/Agency’s adopted policies, the ENA timeline requires two important public meetings as opportunities for public input and participation. It is anticipated that a community workshop will be scheduled for the CVRC to discuss public participation in June 2006.

Structure

As crafted, the ENA generally describes the proposed development site, establishes a timeline for milestones and public participation, defines the negotiation period, and establishes a deposit amount.

An important component of the ENA is the timeline, which is an attachment to the ENA. This document provides clear completion dates for various necessary predevelopment tasks. Two main objectives that this timeline facilitates are:

1. The delineation of the required predevelopment tasks, such as completion of the market study, site plans and elevations, financing and development analysis, etc.
2. The establishment of opportunities and vehicles for public input and participation early within the pre-design phases of the project.

Developer Qualification and Criteria

There are many types of developers – each with their own expertise, experience, and financial capacity. The Agency is interested in finding qualified developers who understand Chula Vista's interests, history, and vision for the future, developers who have a depth of experience in building and designing all types of development in an urban market.

In selecting developers for the proposed development sites, the prospective developers were required to demonstrate that they had the experience and resources needed to design and develop projects that were appropriate for the site, based upon the UCSP proposed land use and zoning parameters. Previous direct involvement with projects of exceptional design, financial capacity and access to financing was also considered critical in evaluating developer qualifications and experience. The main criteria considered when reviewing a developer's qualifications were:

- ☐ Corporate Profile
- ☐ Development experience with references
- ☐ Types of projects completed or underway
- ☐ Financial capacity
- ☐ Development team and bios
- ☐ Ability and willingness to partner with the City

Qualification Process

Staff has pre-qualified each of the developers in this report based on the qualification criteria described above and matched the developer's qualifications to the respective development site. Each site is unique in size, location, and constraints. The means by which each developer's qualifications were introduced to staff also varied – some were submitted through a Request for Qualifications (RFQ) issued by the Agency for Agency-owned properties, and others through Statements of Interest independently submitted by the developers. Although each proposal was introduced in a different manner, the qualifications for each developer was reviewed and evaluated in the same manner, consistent with the qualification criteria. All three of the sites (the E Street

Village, Davidson and Church West and Church and Madrona Northwest) involve Agency-owned properties.

E Street Village

On April 1, 2005, the Community Development Department publicly issued and circulated a Request For Qualifications for the City-owned Public Works Yard as part of the larger E Street Transit Village. Proposals and statements of qualifications were received from multiple well-qualified developers possessing intimate knowledge and experience in urban residential and mixed-use developments. To assist in the selection process, Redevelopment staff formed an eight-person selection committee, consisting of staff within various City departments. In addition to developer history, experience, and financial capabilities, a key criteria and focus of the review committee was the level of commitment of the development teams to creating positive partnerships and working relationships with CVRC staff, the local community, and other development teams working with the CVRC. Of the eight applicants, the selection committee unanimously ranked the top three in the following order: 1) Lennar/Intergulf 2) Douglas Wilson Companies and 3) Langford and Associates. Based upon their qualifications and experience, Lennar/Intergulf is being recommended as the developer for the E Street Transit Village.

Church and Madrona Northwest

Public, a planning, engineering and development firm independently submitted a Statement of Interest for the Church and Madrona Northwest site. Public has designed and developed numerous buildings, including the Dutra Brown Building, a four-unit rental apartment building in the Little Italy district, Laurel Court, a twenty-unit modern residential project in West Hollywood, and the Lee Residence, a single-family home in La Jolla. In addition, Public has received numerous state and national awards. Based upon their qualifications and experience staff supports their proposal.

Davidson and Church West

The Agency and Douglas Wilson Companies originally entered into an ENA in July 2005 for the Landis Avenue Northeast site. The Developer has since determined that the two Agency-owned parking lots on either side of the intersection of Davidson Street and Church Street are more compatible with their development concept. Therefore, staff is recommending Douglas Wilson Companies for the site.

Qualified Developers and Proposal Sites

The following are brief overviews of each of the Developers and their proposed development sites that are being considered for execution or amendment of an ENA. For a complete Developer biography and more information regarding the proposed development site, please refer to the Attachments as described below.

New ENAs



Lennar Homes of California, Inc. and Intergulf Development Group are experienced developers of mixed-use urban infill projects, including



collaborative projects such as Alicante, La Vita, and Breeza. Intergulf and Lennar are interested in the site known as the ***E Street Transit Village***, which include 257,860 square feet in area. This site is publicly owned by the Redevelopment Agency. The conceptual development includes other parcels under private ownership. See Attachment C.

Public

Public is architecture and planning based development firm based in San Diego. They are experienced in retail and residential projects including Café on Park, Dutra Brown Building, Laurel Court and the South Bark Dog Wash. The site, known as ***Church and Madrona Northwest***, is an approximate 8,794 square foot site situated on two parcels located on the Northwest corner of Church Street and Madrona Street. These sites are publicly owned by the Redevelopment Agency, and their current uses are as metered parking lots. See Attachment D.



Douglas Wilson Companies

Douglas Wilson Companies is an experienced developer of mixed-use urban infill projects in the San Diego area, including Parkloft, The Mark, and Symphony Towers. The site, known as ***Church and Davidson West***, is of approximately 25,538 square feet of three separate parcels located on the northwest and southwest corners of Church Street and Davidson Street. The sites are publicly owned by the Redevelopment Agency, and their current uses are as metered parking lots. See Attachment E.

Amendments to ENAs



CityMark is an urban residential and mixed-use development company based in San Diego and founded in 2000. CityMark primarily develops low-rise and mid-rise residential projects, including condominiums and mixed-use developments incorporating retail and office space. CityMark is interested in developing the ***Landis Avenue South*** site, which encompasses approximately 46,352 square feet in area. The site is currently owned by the Redevelopment Agency, and its current use is a metered parking lot. See Attachment F.

AUSTIN
VEUM
ROBBINS
PARTNERS

Avion Development is an experienced developer of mixed-use urban infill projects in the San Diego area, including One Library Circle, Santa Fe 6, 17th & G, Smart Corner (Park Blvd. & Broadway), and 15th & Market. Avion, is interested in developing the site known as ***Third Avenue and E Street Southeast***. The subject property is located at 201 Third Avenue and totals

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approximately 11,454 square feet in area. This site is publicly owned by the Redevelopment Agency and is currently vacant. See Attachment G.



Intergulf Mar (Park) LLC are experienced developers of mixed-use urban infill projects, including Trio @ Kettner, Alicante, La Vita, Palazzo, as well as numerous others. Intergulf and Mar Group are interested in the site known as **Third Avenue and G Street Northwest**, which total 41,097 square feet in area. This site is owned by the Developers and is the site of the former Social Security Building. See Attachment H.

Each of the Developers is well qualified and has demonstrated his desire and commitment to partner with the City and CVRC, to develop a project that meets the objectives and guidelines as will be set forth by the UCSP, and to work cooperatively with the public in the design of the project.

CONCLUSION

Since the approval of the original five ENAs, the economy and market have begun to shift, which has been reflected in rising interest rates, increased construction costs and the slowing in the absorption of new units. Due to the financial complexity of urban infill projects, a change in any of these variables has an especially drastic impact on redevelopment and this City's revitalization activities on the Westside. As these factors continue to shift, the opportunities for timely redevelopment will continue to diminish. It is therefore important that the CVRC expeditiously capture and take advantage of the current economic and market conditions through the effective planning of such efforts as the Urban Core Specific Plan and the timely implementation of strategic redevelopment tools through the Exclusive Negotiation Agreement.

ATTACHMENTS:

- A. Map of Proposal Sites
- B1. ENA Timeline
- C. Lennar/Intergulf Profile for E Street Transit Village
- D. Public Profile for Church and Madrona Northwest
- E. Douglas Wilson Companies Profile for Church and Davidson West
- F. CityMark Development LLC Profile for Landis Avenue South
- G. CityMark Development LLC Profile for Third Avenue & E Street Northeast
- H. Avion Development Profile for Third Avenue and E Street Southeast
- I. Intergulf Mar (Park) LLC Profile for Third Avenue and G Street Northwest

PREPARED BY: Diem Do, Senior Community Development Specialist

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RESOLUTION NO. _____

RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION
APPROVING A SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING
AGREEMENT WITH AVION DEVELOPMENT LLC FOR DEVELOPMENT OF
THE THIRD AVENUE AND E STREET SOUTHEAST SITE

WHEREAS, it is the role and responsibility of the Chula Vista Redevelopment Corporation ("CVRC") to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on July 26, 2005, the Redevelopment Agency and Avion Development LLC ("Developer") entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, on May 11, 2006, Section 2A of the ENA was amended by the CVRC to extend the initial negotiation period ("Initial Negotiation Period") of the ENA to March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his or her sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a mixed-use project known as Third Avenue and E Street Southeast in the Town Centre I Redevelopment Project Area, consisting of one parcel located along the eastern side of Third Avenue at E Street (Assessor's Parcel Number 568-071-01) and totaling approximately 11,454 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of the mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a Second Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the Second Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE BE IT RESOLVED that the CVRC does hereby approve the Second Amendment to the Exclusive Negotiating Agreement with Avion Development LLC for potential development of a real estate project located at Third Avenue and E Street Southeast and authorizes the Chair to execute said Amendment.

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PRESENTED BY

APPROVED AS TO FORM BY

Ann Hix
Acting Director of Community Development

Ann Moore
General Counsel

PASSED, APPROVED and ADOPTED BY THE CHULA VISTA REDEVELOPMENT CORPORATION, in
CHULA VISTA, CALIFORNIA this 26th day of April, 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Cheryl Cox
Chairman

ATTEST:

Ann Hix
Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss:
CITY OF CHULA VISTA)

I, Ann Hix, Secretary to the Chula Vista Redevelopment Corporation of the City of Chula Vista, California, do hereby certify that the foregoing CVRC Resolution No. _____ was duly passed, approved, and adopted by the Chula Vista Redevelopment Corporation at a regular meeting of the Chula Vista Redevelopment Corporation held on the 26th day of April, 2007.

Dated: April 26, 2007

Ann Hix
Secretary

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**SECOND AMENDMENT TO
EXCLUSIVE NEGOTIATING AGREEMENT
Avion Development LLC**

This SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT ("Second Amendment") is entered into as of April 26, 2007 ("Date of Second Amendment") by and between the CHULA VISTA REDEVELOPMENT CORPORATION, a California nonprofit public benefit corporation ("CVRC"), on behalf of and for the Chula Vista Redevelopment Agency, a public body corporate and politic ("RDA"), and AVION DEVELOPMENT LLC, a California Limited Liability Company ("Developer").

WHEREAS, it is the role and responsibility of the CVRC to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on July 26, 2005, the Redevelopment Agency and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, on May 11, 2006, Section 2A of the ENA was amended by the CVRC to extend the initial negotiation period ("Initial Negotiation Period") of the ENA to March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his or her sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a mixed-use project known as Third Avenue and E Street Southeast in the Town Centre I Redevelopment Project Area, consisting of one parcel located along the eastern side of Third Avenue at E Street (Assessor's Parcel Number 568-071-01) and totaling approximately 11,454 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of the mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a Second Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the Second Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE, in consideration of the recitals and mutual obligations of the parties herein, the CVRC and Developer agree as follows:

1. Section 2 of the ENA, entitled Negotiation Period, is hereby amended as follows:

3 a - 3

2.A. Agency and Developer agree to negotiate for an initial period of 300 days unless terminated earlier. Said 300 days shall commence on the Date of this Second Amendment.

2. Section 3.A. of the ENA, entitled Schedule, is hereby amended as follows:
Agency and Developer agree and acknowledge that all submittals required by this Agreement shall be submitted pursuant to the timeline attached hereto as Exhibit "B." Exhibit B may be amended administratively by the Executive Director as needed and with the concurrence of the Developer, provided the timeline does not exceed the Initial Negotiation or Extended Negotiation (if applicable) Periods.
3. Exhibit "B" of the ENA shall be substituted with the Revised Exhibit B as attached hereto.
4. Except as expressly provided herein all other provisions of the ENA shall remain in full force and effect.

[NEXT PAGE IS SIGNATURE PAGE]

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**Signature Page
To Second Amendment To
Exclusive Negotiating Agreement**

IN WITNESS WHEREOF the parties hereto have executed this Second Amendment to the Exclusive Negotiating Agreement as of the date set forth above, thereby indicating the consent of the principals.

CHULA VISTA
REDEVELOPMENT CORPORATION

AVION DEVELOPMENT LLC

By: _____
Cheryl Cox
Chair

By: _____
Douglas Austin
Chairman/CEO

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Ann Moore
General Counsel

Date: _____

ATTEST:

Susan Bigelow
City Clerk

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REVISED EXHIBIT "B"
Exclusive Negotiating Agreement Revised Timeline

MILESTONE	DESCRIPTION
Within 90 Days of Second ENA Amendment	
Pre-submittal staff meeting	Submit preliminary design for staff review (including but not limited to site plans and elevations)
RAC Meeting #1	Redevelopment Advisory Committee ("RAC") review to gather input from the public and stakeholders on the preliminary design for the subject Property.
Within 60 Days of RAC Meeting #1	
Initial Pro Forma	Submit initial pro forma for the proposed development.
Project Development Schedule	Submit projected construction schedule for the proposed development.
Due Diligence	Provide written determination of property's physical suitability for development, taking into account relevant regulatory and environmental conditions.
Project Submittal at Design Development Phase	Submit site plans and elevations based on pre-design review with staff and public input received at RAC Meeting #1. Submit all relevant applications and fees.
Within 160 Days of Second ENA Amendment	
1 st Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
RAC Meeting #2	Present revised development plans to the RAC, responding to previous comments from the RAC and staff.
Within 60 Days of RAC Meeting #2	
Revised Site Plans and Elevations	Submit revised site plans and elevations.
2 nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
Revised Proforma and Development Schedule	Submit refined proforma and development schedule based on revised site plans and elevations.
Market Study	Submit a market study containing a forecast of regional and local real estate market conditions and anticipated performance of proposed product types.
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
CVRC Preview	Present revised site plans and elevations to the Chula Vista Redevelopment Corporation ("CVRC"), responding to previous comments from the RAC and staff, and providing a preliminary overview of proforma, construction schedule and market study.
Within 100 Days of RAC Meeting #2	
Draft DDA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to development proposal and all relevant materials, based on CVRC comments.

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MILESTONE	DESCRIPTION
CVRC Hearing	Present development proposal and DDA/OPA for review and consideration. CVRC adopts advisory recommendations for Agency and/or Council consideration.
Within 30 Days of CVRC Hearing	
Redevelopment Agency / City Council Hearing	Present development proposal and DDA/OPA to Agency and/or Council for final review and approval.

Disclosure Statement

Pursuant to Council Policy 101-01, prior to any action upon matters that will require discretionary action by the Council, Planning Commission and all other official bodies of the City, a statement of disclosure of certain ownership or financial interests, payments, or campaign contributions for a City of Chula Vista election must be filed. The following information must be disclosed:

1. List the names of all persons having a financial interest in the property that is the subject of the application or the contract, e.g., owner, applicant, contractor, subcontractor, material supplier.

DOUGLAS H. AUSTIN
AML MANAGEMENT LLC

AVION DEVELOPMENT LLC

2. If any person* identified pursuant to (1) above is a corporation or partnership, list the names of all individuals with a \$2000 investment in the business (corporation/partnership) entity.

DOUGLAS H. AUSTIN
DORRENT ELLWRIGHT AUSTIN

CHRISTOPHER T. VEUM
RANDY S. ROBBINS

3. If any person* identified pursuant to (1) above is a non-profit organization or trust, list the names of any person serving as director of the non-profit organization or as trustee or beneficiary or trustor of the trust.

N/A

4. Please identify every person, including any agents, employees, consultants, or independent contractors you have assigned to represent you before the City in this matter.

EDUARDO SAYIGLIANO

PABLO COLLIN

5. Has any person* associated with this contract had any financial dealings with an official** of the City of Chula Vista as it relates to this contract within the past 12 months. Yes ___ No ☒

If Yes, briefly describe the nature of the financial interest the official** may have in this contract.

N/A

6. Have you made a contribution of more than \$250 within the past twelve (12) months to a current member of the Chula Vista City Council? No ☒ Yes ___ If yes, which Council member?

N/A

7. Have you provided more than \$340 (or an item of equivalent value) to an official** of the City of Chula Vista in the past twelve (12) months? (This includes being a source of income, money to retire a legal debt, gift, loan, etc.)
Yes ___ No ✓

If Yes, which official** and what was the nature of item provided?

N/A

Date: 4.18.07


Signature of Contractor/Applicant

DOUGLAS H. AUSTIN
Print or type name of Contractor/Applicant

- * Person is defined as: any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver, syndicate, any other county, city, municipality, district, or other political subdivision, -or any other group or combination acting as a unit.
- ** Official includes, but is not limited to: Mayor, Council member, Chula Vista Redevelopment Corporation member, Planning Commissioner, member of a board, commission, or committee of the City, employee, or staff members.

September 8, 2006

329

RESOLUTION NO. _____

RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION
APPROVING A SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING
AGREEMENT WITH INTERGULF-MAR (PARK) LLC FOR DEVELOPMENT
OF THE THIRD AVENUE AND G STREET NORTHWEST SITE.

WHEREAS, it is the role and responsibility of the Chula Vista Redevelopment Corporation ("CVRC") to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on July 26, 2005, the Redevelopment Agency and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, on May 11, 2006, Section 2A of the ENA was amended by the CVRC to extend the initial negotiation period ("Initial Negotiation Period") of the ENA to March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his or her sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a mixed-use project, known as Third Avenue and G Street Northwest in the Town Centre I Redevelopment Project Area, consisting of two parcels located along the western side of Third Avenue, between G Street and Park Way (Assessor's Parcel Number 568-300-46 and 568-300-15) and totaling approximately 41,097 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of a mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a Second Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the Second Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

NOW THEREFORE BE IT RESOLVED that the CVRC does hereby approve the Second Amendment to the ENA with the Developer for potential development of a real estate project located at Third Avenue and G Street Northwest and authorizes the Chair to execute said Amendment.

PRESENTED BY

APPROVED AS TO FORM BY

Ann Hix
Acting Director of Community Development

Ann Moore
General Counsel

PASSED, APPROVED and ADOPTED BY THE CHULA VISTA REDEVELOPMENT CORPORATION, in
CHULA VISTA, CALIFORNIA this 26th day of April, 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Cheryl Cox
Chairman

ATTEST:

Ann Hix
Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss:
CITY OF CHULA VISTA)

I, Ann Hix, Secretary to the Chula Vista Redevelopment Corporation of the City of Chula Vista, California, do hereby certify that the foregoing CVRC Resolution No. _____ was duly passed, approved, and adopted by the Chula Vista Redevelopment Corporation at a regular meeting of the Chula Vista Redevelopment Corporation held on the 26th day of April, 2007.

Dated: April 26, 2007

Ann Hix
Secretary

362

**SECOND AMENDMENT TO
EXCLUSIVE NEGOTIATING AGREEMENT
Intergulf-Mar (Park) LLC**

This SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT ("Second Amendment") is entered into as of April 26, 2007 ("Date of Second Amendment") by and between the CHULA VISTA REDEVELOPMENT CORPORATION, a California nonprofit public benefit corporation ("CVRC"), on behalf of and for the Chula Vista Redevelopment Agency, a public body corporate and politic ("RDA"), and INTERGULF-MAR (PARK) LLC, a California Limited Liability Company ("Developer").

WHEREAS, it is the role and responsibility of the CVRC to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on July 26, 2005, the Redevelopment Agency and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, on May 11, 2006, Section 2A of the ENA was amended by the CVRC to extend the initial negotiation period ("Initial Negotiation Period") of the ENA to March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his or her sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a mixed-use project known as Third Avenue and G Street Northwest in the Town Centre I Redevelopment Project Area, consisting of two parcels located along the western side of Third Avenue, between G Street and Park Way (Assessor's Parcel Number 568-300-46-00 and 568-300-15-00) and totaling approximately 41,097 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of a mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a Second Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the Second Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

NOW THEREFORE, in consideration of the recitals and mutual obligations of the parties herein, the CVRC and Developer agree as follows:

1. Section 2 of the ENA, entitled Negotiation Period, is hereby amended as follows:

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2.A. Agency and Developer agree to negotiate for an initial period of 300 days unless terminated earlier. Said 300 days shall commence on the Date of the Second Amendment.

2. Section 3.A. of the ENA, entitled Schedule, is hereby amended as follows:
Agency and Developer agree and acknowledge that all submittals required by this Agreement shall be submitted pursuant to the timeline attached hereto as Exhibit "B." Exhibit B may be amended administratively by the Executive Director as needed and with the concurrence of the Developer, provided the timeline does not exceed the Exclusive Negotiation Period.
3. Exhibit "B" of the ENA shall be substituted with the Revised Exhibit B as attached hereto.
4. Except as expressly provided herein all other provisions of the ENA shall remain in full force and effect.

[NEXT PAGE IS SIGNATURE PAGE]

**Signature Page
To Second Amendment To
Exclusive Negotiating Agreement**

IN WITNESS WHEREOF the parties hereto have executed this Second Amendment to the Exclusive Negotiating Agreement as of the date set forth above, thereby indicating the consent of the principals.

CHULA VISTA
REDEVELOPMENT CORPORATION

By: _____
Cheryl Cox
Chair

Date: _____

INTERGULF MAR (PARK) LLC

By: _____
Juan-Pablo Mariscal
President

Date: _____

APPROVED AS TO FORM:

By: _____
Ann Moore
General Counsel

Date: _____

ATTEST:

Susan Bigelow
City Clerk

REVISED EXHIBIT "B"
Exclusive Negotiating Agreement Revised Timeline

MILESTONE	DESCRIPTION
Within 40 Days of Second ENA Amendment	
Pre-submittal staff meeting	Submit preliminary design for staff review (including but not limited to site plans and elevations)
RAC Meeting #1	Redevelopment Advisory Committee ("RAC") review to gather input from the public and stakeholders on the preliminary design for the subject Property.
Within 30 Days of RAC Meeting #1	
Initial Pro Forma	Submit initial pro forma for the proposed development.
Project Development Schedule	Submit projected construction schedule for the proposed development.
Due Diligence	Provide written determination of property's physical suitability for development, taking into account relevant regulatory and environmental conditions.
Full Project Submittal	Submit site plans and elevations based on pre-design review with staff and public input received at RAC Meeting #1. Submit all relevant applications and fees.
Within 100 Days of Second ENA Amendment	
1 st Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
RAC Meeting #2	Present revised development plans to the RAC, responding to previous comments from the RAC and staff.
Within 30 Days of RAC Meeting #2	
Revised Site Plans and Elevations	Submit revised site plans and elevations.
2 nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
Revised Proforma and Development Schedule	Submit refined proforma and development schedule based on revised site plans and elevations.
Market Study	Submit a market study containing a forecast of regional and local real estate market conditions and anticipated performance of proposed product types.
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
CVRC Preview	Present revised site plans and elevations to the Chula Vista Redevelopment Corporation ("CVRC"), responding to previous comments from the RAC and staff, and providing a preliminary overview of proforma, construction schedule and market study.
Within 100 Days of RAC Meeting #2	
Draft DDA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to development proposal and all relevant materials, based on CVRC comments.

366

MILESTONE	DESCRIPTION
CVRC Hearing	Present development proposal and DDA/OPA for review and consideration. CVRC adopts advisory recommendations for Agency and/or Council consideration.
Within 30 Days of CVRC Hearing	
Redevelopment Agency / City Council Hearing	Present development proposal and DDA/OPA to Agency and/or Council for final review and approval.

Disclosure Statement

Pursuant to Council Policy 101-01, prior to any action upon matters that will require discretionary action by the Council, Planning Commission and all other official bodies of the City, a statement of disclosure of certain ownership or financial interests, payments, or campaign contributions for a City of Chula Vista election must be filed. The following information must be disclosed:

1. List the names of all persons having a financial interest in the property that is the subject of the application or the contract, e.g., owner, applicant, contractor, subcontractor, material supplier.

INTERGULF - MAR (PARK) LLC

2. If any person* identified pursuant to (1) above is a corporation or partnership, list the names of all individuals with a \$2000 investment in the business (corporation/partnership) entity.

INTERGULF DEVELOPMENT (USA) CORP.
MAR GROUP (3rd AVE) LLC

3. If any person* identified pursuant to (1) above is a non-profit organization or trust, list the names of any person serving as director of the non-profit organization or as trustee or beneficiary or trustor of the trust.

4. Please identify every person, including any agents, employees, consultants, or independent contractors you have assigned to represent you before the City in this matter.

JOE WERNER
PAUL LAMME
DAN MATHESON

JUAN-PABLO MARISCAL

5. Has any person* associated with this contract had any financial dealings with an official** of the City of Chula Vista as it relates to this contract within the past 12 months. Yes ___ No ☒

If Yes, briefly describe the nature of the financial interest the official** may have in this contract.

6. Have you made a contribution of more than \$250 within the past twelve (12) months to a current member of the Chula Vista City Council? No ☒ Yes ___ If yes, which Council member?

7. Have you provided more than \$340 (or an item of equivalent value) to an official** of the City of Chula Vista in the past twelve (12) months? (This includes being a source of income, money to retire a legal debt, gift, loan, etc.)
Yes ___ No ✓

If Yes, which official** and what was the nature of item provided?

Date: 4/19/07



Signature of Contractor/Applicant

INTERGULF-MARCPARK) LLC / JUAN-PABLO MARISCAL
Print or type name of Contractor/Applicant

- * Person is defined as: any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver, syndicate, any other county, city, municipality, district, or other political subdivision, -or any other group or combination acting as a unit.
- ** Official includes, but is not limited to: Mayor, Council member, Chula Vista Redevelopment Corporation member, Planning Commissioner, member of a board, commission, or committee of the City, employee, or staff members.

September 8, 2006

RESOLUTION NO. _____

RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION APPROVING THE FIRST AMENDMENT TO THE EXCLUSIVE NEGOTIATING AGREEMENT WITH DOUGLAS WILSON COMPANIES FOR DEVELOPMENT OF THE CHURCH STREET AND DAVIDSON STREET WEST SITES.

WHEREAS, it is the role and responsibility of the Chula Vista Redevelopment Corporation ("CVRC") to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on May 11, 2006, the CVRC entered into an Exclusive Negotiating Agreement ("ENA") with Developer; and

WHEREAS, Section 2.A of the ENA outlines an initial negotiation period ("Initial Negotiation Period") between the Agency and Developer of 300 days. This Initial Negotiation Period expired on March 7, 2007; and

WHEREAS, Section 2.B of the ENA authorizes the Executive Director, in his or her sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a residential project known as Church Avenue and Davidson Street West in the Town Centre I Redevelopment Project Area, consisting of three parcels located along the western side of Church Avenue at Davidson Street (Assessor's Parcel Numbers 568-071-19-00, 568-071-18-00 and 568-161-25-00) and totaling approximately 25,538 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of a residential project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into an ENA with Developer for the proposed development site; and

WHEREAS, approval of the First Amendment to ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE BE IT RESOLVED that the CVRC does hereby approve the First Amendment to the Exclusive Negotiating Agreement with Douglas Wilson Company for potential development of a real estate project located at Church Street and Davidson Street West and authorizes the Chair to execute said Agreement.

Presented by:

Approved as to form by

Ann Hix
Acting Director of Community Development

Ann Moore
General Counsel

PASSED, APPROVED, and ADOPTED by the Chula Vista Redevelopment Corporation of the City of Chula Vista, this 26th day of April 2007, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINED:

Cheryl Cox
Chair

ATTEST:

Ann Hix, Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

ss:

I, Ann Hix, Secretary to the Chula Vista Redevelopment Corporation of the City of Chula Vista, California, do hereby certify that the foregoing CVRC Resolution No. _____ was duly passed, approved, and adopted by the Chula Vista Redevelopment Corporation at a regular meeting of the Chula Vista Redevelopment Corporation held on the 26th day of April, 2007.

Dated: 26th day of April, 2007.

Ann Hix, Secretary

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**FIRST AMENDMENT TO
EXCLUSIVE NEGOTIATING AGREEMENT
Douglas Wilson Companies**

This FIRST AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT ("First Amendment") is entered into as of April 26, 2007 ("Date of First Amendment") by and between the CHULA VISTA REDEVELOPMENT CORPORATION, a California nonprofit public benefit corporation ("CVRC"), on behalf of and for the Chula Vista Redevelopment Agency, a public body corporate and politic ("RDA"), and Douglas Wilson Companies, a California Corporation ("Developer").

WHEREAS, it is the role and responsibility of the CVRC to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on May 11, 2006, the CVRC and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, Section 2.A of the ENA outlines an initial negotiation period ("Initial Negotiation Period") between the CVRC and Developer of 300 days. This Initial Negotiation Period expired on March 7, 2007; and

WHEREAS, Section 2.B of the ENA authorizes the Executive Director, in his sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a residential project known as Church Avenue and Davidson Street West in the Town Centre I Redevelopment Project Area, consisting of three parcels located along the western side of Church Avenue at Davidson Street (Assessor's Parcel Numbers 568-071-19-00, 568-071-18-00 and 568-161-25-00) and totaling approximately 25,538 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of a residential project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into an ENA with Developer for the proposed development site; and

WHEREAS, approval of the First Amendment to ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE, in consideration of the recitals and mutual obligations of the parties herein, the CVRC and Developer agree as follows:

1. Section 2 of the ENA, entitled Negotiation Period, is hereby amended as follows:

303

2.A. Agency and Developer agree to negotiate for an initial period of 300 days unless terminated earlier in accordance with the provisions hereof ("Initial Negotiation Period"). Said 300 days shall commence on June 5, 2007, "Effective Date" of the First Amendment.

2. Section 3.A. of the ENA, entitled Schedule, is hereby amended as follows:
Agency and Developer agree and acknowledge that all submittals required by this Agreement shall be submitted pursuant to the timeline attached hereto as Exhibit B. Exhibit B may be amended administratively by the Executive Director as needed and with the concurrence of the Developer, provided the timeline does not exceed the Initial Negotiation Period or the Extended Negotiation Period, if applicable.
3. Exhibit "B" of the ENA shall be substituted with the Revised Exhibit B as attached hereto.
4. Except as expressly provided herein all other provisions of the ENA shall remain in full force and effect.

[NEXT PAGE IS SIGNATURE PAGE]

304

**Signature Page
To First Amendment To
Exclusive Negotiating Agreement**

IN WITNESS WHEREOF the parties hereto have executed this First Amendment to the Exclusive Negotiating Agreement as of the date set forth above, thereby indicating the consent of the principals.

CHULA VISTA
REDEVELOPMENT CORPORATION

By: _____
Cheryl Cox
Chair

Date: _____

DOUGLAS WILSON COMPANIES
A California Corporation

By: _____
Douglas Wilson
President

Date: _____

APPROVED AS TO FORM:

By: _____
Ann Moore
General Counsel

Date: _____

ATTEST:

Susan Bigelow
City Clerk

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REVISED EXHIBIT "B"
Exclusive Negotiating Agreement Amended Timeline

MILESTONE	DESCRIPTION
Within 60 Days of Effective Date (June 5, 2007) of First ENA Amendment	
Initial Pro Forma	Submit initial pro forma for the proposed development.
Project Development Schedule	Submit projected construction schedule for the proposed development.
Due Diligence	Provide written determination of property's physical suitability for development, taking into account relevant regulatory and environmental conditions.
Full Project Submittal	Submit site plans and elevations based on pre-design review with staff and public input received at RAC Meeting #1. Submit all relevant applications and fees.
Within 90 Days of Effective Date of First ENA Amendment	
1 st Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
RAC Meeting #2	Present revised development plans to the RAC, responding to previous comments from the RAC and staff.
Within 30 Days of RAC Meeting #2	
Revised Site Plans and Elevations	Submit revised site plans and elevations.
2 nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
Revised Proforma and Development Schedule	Submit refined proforma and development schedule based on revised site plans and elevations.
Market Study	Submit a market study containing a forecast of regional and local real estate market conditions and anticipated performance of proposed product types.
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
CVRC Preview	Present revised site plans and elevations to the Chula Vista Redevelopment Corporation ("CVRC"), responding to previous comments from the RAC and staff, and providing a preliminary overview of proforma, construction schedule and market study.
Within 100 Days of RAC Meeting #2	
Draft DDA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to development proposal and all relevant materials, based on CVRC comments.
CVRC Hearing	Present development proposal and DDA/OPA for review and consideration. CVRC adopts advisory recommendations for Agency and/or Council consideration.
Within 30 Days of CVRC Hearing	
Redevelopment Agency / City Council Hearing	Present development proposal and DDA/OPA to Agency and/or Council for final review and approval.

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APPLICATION APPENDIX B

Disclosure Statement

Pursuant to Council Policy 101-01, prior to any action upon matters that will require discretionary action by the Council, Planning Commission and all other official bodies of the City, a statement of disclosure of certain ownership or financial interests, payments, or campaign contributions for a City of Chula Vista election must be filed. The following information must be disclosed:

1. List the names of all persons having a financial interest in the property that is the subject of the application or the contract, e.g., owner, applicant, contractor, subcontractor, material supplier.

n/a

2. If any person* identified pursuant to (1) above is a corporation or partnership, list the names of all individuals with a \$2000 investment in the business (corporation/partnership) entity.

n/a

3. If any person* identified pursuant to (1) above is a non-profit organization or trust, list the names of any person serving as director of the non-profit organization or as trustee or beneficiary or trustor of the trust.

n/a

4. Please identify every person, including any agents, employees, consultants, or independent contractors you have assigned to represent you before the City in this matter.

n/a

5. Has any person* associated with this contract had any financial dealings with an official** of the City of Chula Vista as it relates to this contract within the past 12 months. Yes ___ No ☒

If Yes, briefly describe the nature of the financial interest the official** may have in this contract.

6. Have you made a contribution of more than \$250 within the past twelve (12) months to a current member of the Chula Vista City Council? No ☒ Yes ___ If yes, which Council member?



APPLICATION APPENDIX B

Disclosure Statement – Page 2

7. Have you provided more than \$340 (or an item of equivalent value) to an official** of the City of Chula Vista in the past twelve (12) months? (This includes being a source of income, money to retire a legal debt, gift, loan, etc.)
Yes ___ No X

If Yes, which official** and what was the nature of item provided?

Date:

4/10/07

Signature of Contractor/Applicant

Douglas P. Wilson Print or
type name of Contractor/Applicant

* Person is defined as: any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver, syndicate, any other county, city, municipality, district, or other political subdivision, -or any other group or combination acting as a unit.

** Official includes, but is not limited to: Mayor, Council member, Planning Commissioner, Member of a board, commission, or committee of the City, employee, or staff members.

RESOLUTION NO. _____

RESOLUTION OF THE CHULA VISTA REDEVELOPMENT CORPORATION
APPROVING A FIRST AMENDMENT TO EXCLUSIVE NEGOTIATING
AGREEMENT WITH PUBLIC, A CALIFORNIA GENERAL PARTNERSHIP,
FOR DEVELOPMENT OF THE CHURCH AND MADRONA NORTHWEST
SITE.

WHEREAS, it is the role and responsibility of the Chula Vista Redevelopment Corporation ("CVRC") to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on May 11, 2006, the CVRC and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, Section 2A of the ENA outlines an initial negotiation period ("Initial Negotiation Period") between the CVRC and Developer of 300 days. This Initial Negotiation Period expired on March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a residential project known as Church Avenue and Madrona Street Northwest in the Town Centre I Redevelopment Project Area. The subject property consists of two parcels located along the western side of Church Avenue at Madrona Street (Assessor's Parcel Number 568-351-04-00 and 568-351-05-00) and totals approximately 8,795 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the design development of a mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a First Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the First Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE BE IT RESOLVED that the CVRC does hereby approve the First Amendment to the Exclusive Negotiating Agreement with Public, a California General Partnership, for potential development of a real estate project known as Church and Madrona Northwest and authorizes the Chair to execute said Amendment.

3d.1

PRESENTED BY

APPROVED AS TO FORM BY

Ann Hix
Acting Director of Community Development

Ann Moore
General Counsel

PASSED, APPROVED and ADOPTED BY THE CHULA VISTA REDEVELOPMENT CORPORATION, in
CHULA VISTA, CALIFORNIA this 26th day of April, 2007, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Cheryl Cox
Chairman

ATTEST:

Ann Hix
Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss:
CITY OF CHULA VISTA)

I, Ann Hix, Secretary to the Chula Vista Redevelopment Corporation of the City of Chula Vista, California, do hereby certify that the foregoing CVRC Resolution No. _____ was duly passed, approved, and adopted by the Chula Vista Redevelopment Corporation at a regular meeting of the Chula Vista Redevelopment Corporation held on the 26th day of April, 2007.

Dated: April 26, 2007

Ann Hix
Secretary

3d2

**FIRST AMENDMENT TO
EXCLUSIVE NEGOTIATING AGREEMENT
Public**

This FIRST AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT ("First Amendment") is entered into as of April 26, 2007 ("Date of First Amendment") by and between the CHULA VISTA REDEVELOPMENT CORPORATION, a California nonprofit public benefit corporation ("CVRC"), on behalf of and for the Chula Vista Redevelopment Agency, a public body corporate and politic ("RDA"), and PUBLIC, a California General Partnership ("Developer").

WHEREAS, it is the role and responsibility of the CVRC to promote economic vitality, create market confidence, encourage environmental health and remediation, create public benefits and amenities, and facilitate the development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses; and

WHEREAS, on May 11, 2006, the Redevelopment Agency and the Developer entered into an Exclusive Negotiating Agreement ("ENA"); and

WHEREAS, Section 2A of the ENA outlines an initial negotiation period ("Initial Negotiation Period") between the Agency and Developer of 300 days. This Initial Negotiation Period expired on March 7, 2007; and

WHEREAS, Section 2B of the ENA authorizes the Executive Director, in his sole discretion, to provide a written administrative extension of the Agreement; and

WHEREAS, on March 5, 2007, a 90-day written, administrative extension ("Extended Negotiation Period") was proposed by the Executive Director and agreed to by the Developer, establishing an Extended Negotiation Period from March 7, 2007 to June 5, 2007; and

WHEREAS, the ENA relates to development of a residential project known as Church Avenue and Madrona Street Northwest in the Town Centre I Redevelopment Project Area. The subject property consists of two parcels located along the western side of Church Avenue at Madrona Street (Assessor's Parcel Number 568-351-04-00 and 568-351-05-00) and totals approximately 8,795 square feet in area; and

WHEREAS, the Developer has in good faith completed significant predevelopment tasks; and

WHEREAS, the Developer desires to continue to work cooperatively with the CVRC in the development of a mixed-use project; and

WHEREAS, it is in the interest of the CVRC to execute and enter into a First Amendment to the ENA with Developer for the proposed development site; and

WHEREAS, approval of the First Amendment to the ENA is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and

NOW THEREFORE, in consideration of the recitals and mutual obligations of the parties herein, the CVRC and Developer agree as follows:

1. The fourth Recital is hereby amended as follows:

3d3

The Developer is proposing to develop nine (9) residential for-sale homes ("Project") and desires to negotiate a Disposition and Development Agreement ("DDA") with the Agency.

2. Section 2 of the ENA, entitled Negotiation Period, is hereby amended as follows:
2.A Agency and Developer agree to negotiate for an initial period of 300 days unless terminated earlier. Said 300 days shall commence on June 5, 2007, the "Effective Date" of this First Amendment.
3. Section 3.A of the ENA, entitled Schedule, is hereby amended as follows:
Agency and Developer agree and acknowledge that all submittals required by this Agreement shall be submitted pursuant to the timeline attached hereto as Exhibit "B." Exhibit B may be amended administratively by the Executive Director as needed and with the concurrence of the Developer, provided the timeline does not exceed the Initial Negotiation Period or the Extended Negotiation Period, if applicable.
4. Exhibit "B" of the ENA shall be substituted with the Revised Exhibit B as attached hereto.
5. Except as expressly provided herein all other provisions of the ENA shall remain in full force and effect.

[NEXT PAGE IS SIGNATURE PAGE]

**Signature Page
To First Amendment To
Exclusive Negotiating Agreement**

IN WITNESS WHEREOF the parties hereto have executed this First Amendment to the Exclusive Negotiating Agreement as of the date set forth above, thereby indicating the consent of the principals.

CHULA VISTA
REDEVELOPMENT CORPORATION

PUBLIC

By: _____
Cheryl Cox
Chair

By: _____
James Brown
Principal

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Ann Moore
General Counsel

By: _____
James Gates
Principal

Date: _____

Date: _____

ATTEST:

Susan Bigelow
City Clerk

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REVISED EXHIBIT "B"
Exclusive Negotiating Agreement Revised Timeline

MILESTONE	DESCRIPTION
Within 30 Days of First ENA Amendment	
Initial Pro Forma	Submit initial pro forma for the proposed development.
Project Development Schedule	Submit projected construction schedule for the proposed development.
Due Diligence	Provide written determination of property's physical suitability for development, taking into account relevant regulatory and environmental conditions.
Full Project Submittal	Submit site plans and elevations based on pre-design review with staff and public input received at RAC Meeting #1. Submit all relevant applications and fees.
Within 60 Days of First ENA Amendment	
1 st Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
RAC Meeting #2	Present revised development plans to the RAC, responding to previous comments from the RAC and staff.
Within 30 Days of RAC Meeting #2	
Revised Site Plans and Elevations	Submit revised site plans and elevations.
2 nd Plan Review	Staff reviews plans for compliance with applicable codes and regulations; letter prepared by Project Manager summarizing staff comments is sent to developer.
Revised Proforma and Development Schedule	Submit refined proforma and development schedule based on revised site plans and elevations.
Development Partners and Structure	Submit letter identifying investment partners.
Funding Partners and Structure	Submit letter identifying lenders and proof of ability to obtain financing.
CVRC Preview	Present revised site plans and elevations to the Chula Vista Redevelopment Corporation ("CVRC"), responding to previous comments from the RAC and staff, and providing a preliminary overview of proforma, construction schedule and market study.
Within 100 Days of RAC Meeting #2	
Draft DDA	Complete negotiations and draft Disposition and Development Agreement.
Final Revisions	Finalize revisions to development proposal and all relevant materials, based on CVRC comments.
CVRC Hearing	Present development proposal and DDA/OPA for review and consideration. CVRC adopts advisory recommendations for Agency and/or Council consideration.
Within 30 Days of CVRC Hearing	
Redevelopment Agency / City Council Hearing	Present development proposal and DDA/OPA to Agency and/or Council for final review and approval.

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APPLICATION APPENDIX B

Disclosure Statement

Pursuant to Council Policy 101-01, prior to any action upon matters that will require discretionary action by the Council, Planning Commission and all other official bodies of the City, a statement of disclosure of certain ownership or financial interests, payments, or campaign contributions for a City of Chula Vista election must be filed. The following information must be disclosed:

1. List the names of all persons having a financial interest in the property that is the subject of the application or the contract, e.g., owner, applicant, contractor, subcontractor, material supplier.

<u>James Brown</u>	<u>James Gates</u>
<u>Isabel Dutra</u>	<u>Lara Gates</u>
2. If any person* identified pursuant to (1) above is a corporation or partnership, list the names of all individuals with a \$2000 investment in the business (corporation/partnership) entity.

<u>James Brown</u>	<u>James Gates</u>
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3. If any person* identified pursuant to (1) above is a non-profit organization or trust, list the names of any person serving as director of the non-profit organization or as trustee or beneficiary or trustor of the trust.

<u></u>	<u></u>
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4. Please identify every person, including any agents, employees, consultants, or independent contractors you have assigned to represent you before the City in this matter.

<u>Mike Paluso</u>	<u></u>
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5. Has any person* associated with this contract had any financial dealings with an official** of the City of Chula Vista as it relates to this contract within the past 12 months. Yes ___ No X

<u></u>	<u></u>
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If Yes, briefly describe the nature of the financial interest the official** may have in this contract.
6. Have you made a contribution of more than \$250 within the past twelve (12) months to a current member of the Chula Vista City Council? No X Yes ___ If yes, which Council member?



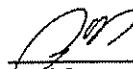
APPLICATION APPENDIX B

Disclosure Statement – Page 2

7. Have you provided more than \$340 (or an item of equivalent value) to an official** of the City of Chula Vista in the past twelve (12) months? (This includes being a source of income, money to retire a legal debt, gift, loan, etc.)
Yes ___ No X

If Yes, which official** and what was the nature of item provided?

Date: 4/10/07


Signature of Contractor/Applicant

James E. Brown Print or
type name of Contractor/Applicant

- * Person is defined as: any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver, syndicate, any other county, city, municipality, district, or other political subdivision, -or any other group or combination acting as a unit.
- ** Official includes, but is not limited to: Mayor, Council member, Planning Commissioner, Member of a board, commission, or committee of the City, employee, or staff members.

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